



STATE OF NEW MEXICO SOLE SOURCE REQUEST AND DETERMINATION FORM

A sole source *determination* is not effective until the *sole source request for determination* has been posted for thirty (30) calendar days without challenge, and subsequently approved in writing by the Chief Procurement Officer or, for Professional Services Agreements, the Secretary of the Department of Finance and Administration. The foregoing requirement is regardless of whether the *sole source request for determination* has been signed by the Agency and/or the Contractor.

I. Name of Agency: *City of Las Vegas*

Agency Chief Procurement Officer: *Helen Vigil*

Telephone Number: *505-454-1401*

II. Name of prospective Contractor: *ChemTrade*

Address of prospective Contractor: *90 East Halsey Road
Parsippany, NJ 07054*

Amount of prospective contract: *\$20,000.00*

Term of prospective contract: *February 23, 2020 Thru October 2020*

III. Please thoroughly list the services (scope of work), construction or items of tangible personal property of the prospective contract:

ChemTrade has been the City's provider of Aluminum Sulfate for drinking water treatment for almost 10 years. During the same period, the City has put out to bid for the product each year with the same results: ChemTrade is lower priced, quicker to deliver, and located closer than any other vendor.

- IV. Provide an explanation of the criteria developed and specified by the agency as necessary to perform and/or fulfill the contract and upon which the state agency reviewed available sources. (Do not use “technical jargon;” use plain English. Do not tailor the criteria simply to exclude other contractors if it is not rationally related to the purpose of the contract.)

The criteria for aluminum sulfate and specified by the agency as mentioned above is the general specification used for liquid aluminum sulfate as indicated in the quote provided by ChemTrade. This is the industry standard for the product when used to treat drinking water.

- V. Provide a detailed, sufficient explanation of the reasons, qualifications, proprietary rights or unique capabilities of the prospective contractor that makes the prospective contractor ***the one source capable*** of providing the required professional service, service, construction or item(s) of tangible personal property. (Please do not state the source is the “best” source or the “least costly” source. Those factors do not justify a “sole source.”)

The City has put aluminum sulfate out to bid for almost 10 years. Without exception, ChemTrade has won the bid for the following reasons:

- 1. ChemTrade is the only vendor that produces the product that is compatible with our water distribution system.*
- 2. The product has consistently met the criteria mentioned in Part IV above.*

- VI. Provide a detailed sufficient explanation of how the professional service, service, construction or item(s) of tangible personal property is/***are unique and how this uniqueness is substantially related to the intended purpose of the contract.***

The aluminum sulfate provided by ChemTrade is unique in that the company is the only vendor that can produce the chemical that is compatible with the City of Las Vegas system.

- VII. Explain why other similar professional services, services, construction or item(s) of tangible personal property **cannot** meet the intended purpose of the contract.

There are no similar products to aluminum sulfate as specified for drinking water treatment.

- VIII. Provide a narrative description of the agency's due diligence in determining the basis for the procurement, including procedures used by the agency to conduct a review of available sources such as researching trade publications, industry newsletters and the internet; reviewing telephone books and other advertisements; contacting similar services providers; and reviewing the State Purchasing Agent's vendor list. Include a list of businesses contacted (**do not state that no other businesses were contacted**), date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, perform the contract; or an explanation of why the agency has determined that no businesses other than the prospective contractor can perform the contract.

As previously stated, the City has put this chemical out to bid each year for the past decade. Each time, ChemTrade has won the bid and has consistently been met design criteria. All other bidders were either unable to produce and ship the chemical in a timely manner, or were not able to meet the design criteria.


Certified by:

Date: 1/22/20


Department Director

Approved by:

Date: 1/23/2020


Procurement Officer

APPROVED:

Date: 1/23/2020


Finance Director

From: Naranjo, Robert
Sent: Thursday, January 16, 2020 1:38 PM
To: Jesus
Subject: RE: FW: Alum Pricing

Jesus,

Below is an email from back in Sept. 2019. It has your current price until Oct.2020. Please let me know if you need any additional info.

Robert

September 26, 2019
Mr. Jesus Hathaway
City of Las Vegas, NM
Subject: 2019 - 2020 Quote on Liquid Aluminum Sulfate

Dear Mr. Hathaway,
Aluminum Tri Hydrate is one of the key raw materials in the production of Aluminum Sulfate "Alum". There has been a continued cost escalation for Aluminum Tri-Hydrate due to unforeseen market forces leading to significant increase in the cost of Alum. Chemtrade has received a significant price increases from our suppliers over the past year. These increases are driven by the cost increase associated with imported Aluminum Hydrate. Two key drivers that have impacted imports markets were the sanctions on Rusal, a Russian company which manufactures and supplies Aluminum Hydrate into US market, and operational issues at a second supplier based in Brazil which exports Aluminum Tri Hydrate into the US market. Additionally, Chemtrade is captive to our sole carrier in the New Mexico market and our contracted rates.

Unfortunately, we continue to see significant increases year over year in our freight costs due to carriers'

needs of retaining responsible, qualified and safe drivers and to maintain trucks.

Please see the updated quote for Liquid Aluminum Sulfate below:

Product Description Package Configuration Price /dry ton Price/wet ton

Liquid Aluminum Sulfate Truckload – 45,000 LBS \$549.00 \$266.27

Terms and Conditions:

Freight Terms: Prepaid Delivered – Las Vegas, NM

Payment Terms: Net 30 days.

Expiration: This price is valid November 1, 2019 through October 31, 2020

Minimum Order Quantity: Truckload 45,000 LBS

Minimum Order Lead Time: 5 days

If you have questions regarding this proposal, please contact me by phone me at 973-515-1841 or by email at

mschroeher@chemtradelogistics.com.

From: Jesus [mailto:jesus@lasvegasnm.gov]
Sent: Thursday, January 16, 2020 2:23 PM
To: Naranjo, Robert <rnaranjo@chemtradelogistics.com>
Subject: RE: FW: Alum Pricing

CAUTION: This email is from outside of Chemtrade. Do not click links or open attachments unless you recognize the sender's email address. For guidance on what to look for [click here](#).

Good afternoon Mr. Naranjo, could you send alum pricing in PDF form?

Thank you,

Jesus

Sent from Mail for Windows 10

From: Naranjo, Robert
Sent: Thursday, January 16, 2020 11:34 AM
To: jesus@lasvegasnm.gov
Subject: FW: Alum Pricing

Here you go.

From: Naranjo, Robert
Sent: Thursday, January 16, 2020 12:10 PM
To: 'jesus@lasvegasnm.gov' <jesus@lasvegasnm.gov>
Subject: Alum Pricing

Jesus,

Attached is you 2020 pricing for alum. Let me know if you have further questions.

Best Regards,

Robert Naranjo
CHEMTRADE
Account Manager, Water Chemicals
Cell: (360) 440-0293
Email: Rnaranjo@chemtradelogistics.com